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S.B. No. 604

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Texas Department of Motor Vehicles and to the operations of certain other entities performing functions associated with the department.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. GENERAL PROVISIONS

SECTION 1.01. Section 1001.005, Transportation Code, is amended to read as follows:

Sec. 1001.005. SUNSET PROVISION. The department is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2031 ~~[2019]~~.

SECTION 1.02. Section 1001.023(a), Transportation Code, is amended to read as follows:

(a) The governor shall appoint one of the public members of the board to serve as ~~[board's members]~~ chair of the board. The chair serves at the pleasure of the governor. The board shall elect one of its members vice chair of the board. The vice chair serves at the pleasure of the board.

SECTION 1.03. Section 1001.030, Transportation Code, is amended to read as follows:

Sec. 1001.030. BOARD MEMBER TRAINING ~~[ON DEPARTMENT AND CERTAIN LAWS RELATING TO DEPARTMENT]~~. (a) A ~~[To be eligible to take office as a member of the board, a]~~ person who is appointed to

and qualifies for office as a member of the board may not vote,
deliberate, or be counted as a member in attendance at a meeting
of the board until the person completes ~~[must complete at least~~
~~one course of]~~ a training program that complies with this
section.

(b) The training program must provide the person with
information ~~[to the person]~~ regarding:

(1) the law governing department operations ~~[this~~
~~subchapter]~~;

(2) the board's programs, functions, and rules and the
budget of ~~[operated by]~~ the department;

(3) the scope of and limitations on the rulemaking
authority ~~[role and functions]~~ of the board ~~[department]~~;

(4) the types of board rules, interpretations, and
enforcement actions that may implicate federal antitrust law by
limiting competition or impacting prices charged by persons engaged
in a profession or business the board regulates, including any
rule, interpretation, or enforcement action that:

(A) regulates the scope of practice of persons in
a profession or business the board regulates;

(B) restricts advertising by persons in a
profession or business the board regulates;

(C) affects the price of goods or services
provided by persons in a profession or business the board
regulates; or

(D) restricts participation in a profession or
business the board regulates ~~[rules of the department with an~~

~~emphasis on the rules that relate to disciplinary and investigatory authority];~~

(5) ~~[the current budget for the department,~~
~~[(6)] the results of the most recent formal audit of~~
the department;

(6) ~~[(7)]~~ the requirements of ~~[the]~~:

(A) laws relating to open meetings, public
information, ~~[law, Chapter 551, Government Code,~~

~~[(B) open records law, Chapter 552, Government~~
~~Code; and~~

~~[(C)] administrative procedure [law], and~~
disclosure of conflicts of interest; and

(B) other laws applicable to members of the board
in performing their duties ~~[Chapter 2001, Government Code,~~

~~[(8) the requirements of the conflict of interest laws~~
~~and other laws relating to public officials]; and~~

(7) ~~[(9)]~~ any applicable ethics policies adopted by
the department ~~[board]~~ or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to
reimbursement, as provided by the General Appropriations Act, for
the travel expenses incurred in attending the training program,
regardless of whether the attendance at the program occurs before
or after ~~[as provided by the General Appropriations Act and as if]~~
the person qualifies for office ~~[were a member of the board].~~

(d) The executive director shall create a training manual
that includes the information required by Subsection (b). The
executive director shall distribute a copy of the training manual

1 annually to each member of the board. Each member of the board
2 shall sign and submit to the executive director a statement
3 acknowledging that the member received and has reviewed the
4 training manual.

5 SECTION 1.04. Section 1001.041(a), Transportation Code, is
6 amended to read as follows:

7 (a) Subject to the General Appropriations Act or other law,
8 the executive director shall appoint deputies, assistants, and
9 other personnel, including a general counsel, as necessary to carry
10 out the powers and duties of the department under this code, other
11 applicable vehicle laws of this state, and other laws granting
12 jurisdiction or applicable to the department.

13 SECTION 1.05. Section 1001.0411, Transportation Code, is
14 amended by adding Subsection (c) to read as follows:

15 (c) In accordance with Section 1001.041(a), the executive
16 director shall hire and oversee a general counsel to advise the
17 department.

18 SECTION 1.06. Section 1001.042, Transportation Code, is
19 amended to read as follows:

20 Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board
21 shall develop and implement policies that clearly separate ~~define~~
22 the policy-making responsibilities of the board and the management
23 ~~[respective]~~ responsibilities of the executive director, including
24 the appointment of department staff, and the staff of the
25 department.

26 SECTION 1.07. Chapter 1003, Transportation Code, is amended
27 by adding Sections 1003.0055 and 1003.008 to read as follows:

1 Sec. 1003.0055. COMPLAINTS. (a) The department shall
2 maintain a system to promptly and efficiently act on complaints
3 filed with the department. The department shall maintain
4 information about parties to and the subject matter of the
5 complaint and a summary of the results of the review or
6 investigation of the complaint and the disposition of the
7 complaint.

8 (b) The department shall make information available
9 describing its procedures for complaint investigation and
10 resolution.

11 (c) The department shall periodically notify the parties to
12 the complaint of the status of the complaint until final
13 disposition.

14 Sec. 1003.008. NEGOTIATED RULEMAKING AND ALTERNATIVE
15 DISPUTE RESOLUTION POLICY. (a) The board shall develop and
16 implement a policy to encourage the use of:

17 (1) negotiated rulemaking procedures under Chapter
18 2008, Government Code, for the adoption of department rules; and

19 (2) appropriate alternative dispute resolution
20 procedures under Chapter 2009, Government Code, to assist in the
21 resolution of internal and external disputes under the department's
22 jurisdiction.

23 (b) The department's procedures relating to alternative
24 dispute resolution must conform, to the extent possible, to any
25 model guidelines issued by the State Office of Administrative
26 Hearings for the use of alternative dispute resolution by state
27 agencies.

1 (c) The department shall:

2 (1) coordinate the implementation of the policy
3 developed under Subsection (a);

4 (2) provide training as needed to implement the
5 procedures for negotiated rulemaking or alternative dispute
6 resolution; and

7 (3) collect data concerning the effectiveness of those
8 procedures.

9 SECTION 1.08. The following provisions are repealed:

10 (1) Section 2110.002(c), Government Code; and

11 (2) Section 1001.031(a-1), Transportation Code.

12 SECTION 1.09. If the chair of the board of the Texas
13 Department of Motor Vehicles is not a public member as required by
14 Section 1001.023(a), Transportation Code, as amended by this Act,
15 the governor shall designate a public member of that board to serve
16 as chair not later than December 1, 2019.

17 SECTION 1.10. (a) Except as provided by Subsection (b) of
18 this section, Section 1001.030, Transportation Code, as amended by
19 this Act, applies to a member of the board of the Texas Department
20 of Motor Vehicles who is appointed before, on, or after the
21 effective date of this Act.

22 (b) A member of the board of the Texas Department of Motor
23 Vehicles who, before the effective date of this Act, completed the
24 training program required by Section 1001.030, Transportation
25 Code, as that law existed before the effective date of this Act, is
26 required to complete additional training only on subjects added by
27 this Act to the training program as required by Section 1001.030,

1 Transportation Code, as amended by this Act. A board member
2 described by this subsection may not vote, deliberate, or be
3 counted as a member in attendance at a meeting of the board held on
4 or after December 1, 2019, until the member completes the
5 additional training.

6 ARTICLE 2. LICENSING

7 SECTION 2.01. Section 2301.203(c), Occupations Code, is
8 amended to read as follows:

9 (c) Except as otherwise provided by this subsection, the
10 ~~[The]~~ board may not file a complaint alleging a violation of this
11 chapter or a board rule relating to advertising until the board has
12 notified the license holder involved of the alleged violation and
13 given the license holder an opportunity to cure the violation
14 without further proceedings or liability. If the board has
15 previously given a license holder notice and an opportunity to cure
16 any violation of this chapter or a board rule relating to
17 advertising as provided by this subsection, the board may file a
18 complaint alleging a subsequent violation of this chapter or a
19 board rule relating to advertising after the board has notified the
20 license holder involved of the alleged violation.

21 SECTION 2.02. Section 2301.251(a), Occupations Code, is
22 amended to read as follows:

23 (a) Unless a person holds a license issued under this
24 chapter authorizing the activity, the person may not:

25 (1) engage in business as, serve in the capacity of, or
26 act as a dealer, manufacturer, distributor, converter,
27 ~~[representative,~~ vehicle lessor, or vehicle lease facilitator in

1 this state; or

2 (2) perform or offer to perform repair services on a
3 motor vehicle under a franchise and a motor vehicle manufacturer's
4 warranty, regardless of whether the person sells or offers to sell
5 motor vehicles at the same location.

6 SECTION 2.03. Section 2301.258, Occupations Code, is
7 amended to read as follows:

8 Sec. 2301.258. GENERAL REQUIREMENTS FOR APPLICATION FOR
9 MANUFACTURER'S, DISTRIBUTOR'S, OR CONVERTER'S [~~, — OR~~
10 ~~REPRESENTATIVE'S~~] LICENSE. An application for a manufacturer's,
11 distributor's, or converter's [~~, — or representative's~~] license must
12 be on a form prescribed by the department. The application must
13 include information the department determines necessary to fully
14 determine the qualifications of an applicant, including financial
15 resources, business integrity and experience, facilities and
16 personnel for serving franchised dealers, and other information the
17 department determines pertinent to safeguard the public interest
18 and welfare.

19 SECTION 2.04. Section 2301.264(a), Occupations Code, is
20 amended to read as follows:

21 (a) The annual fees for a license issued under this chapter
22 are:

23 (1) \$900 for a manufacturer or distributor, plus \$20
24 for each dealer franchised by the manufacturer or distributor;

25 (2) for a franchised dealer:

26 (A) \$175, if the dealer sold fewer than 201 new
27 motor vehicles during the preceding calendar year;

(B) \$275, if the dealer sold more than 200 but fewer than 401 new motor vehicles during the preceding calendar year;

(C) \$400, if the dealer sold more than 400 but fewer than 801 new motor vehicles during the preceding calendar year;

(D) \$500, if the dealer sold more than 800 but fewer than 1,201 new motor vehicles during the preceding calendar year;

(E) \$625, if the dealer sold more than 1,200 but fewer than 1,601 new motor vehicles during the preceding calendar year;

(F) \$750, if the dealer sold more than 1,600 new motor vehicles during the preceding calendar year; and

(G) \$100 for each location separate from the dealership at which the dealer does not offer motor vehicles for sale but performs warranty service work on vehicles the dealer is franchised and licensed to sell;

(3) [~~\$100 for a representative,~~

~~(4)]~~ \$375 for a converter;

(4) ~~(5)]~~ for a vehicle lessor:

(A) \$175, if the lessor leased 200 or fewer motor vehicles during the preceding calendar year;

(B) \$275, if the lessor leased more than 200 but fewer than 401 motor vehicles during the preceding calendar year;

(C) \$400, if the lessor leased more than 400 but fewer than 801 motor vehicles during the preceding calendar year;

(D) \$500, if the lessor leased more than 800 but fewer than 1,201 motor vehicles during the preceding calendar year;

(E) \$625, if the lessor leased more than 1,200 but fewer than 1,601 motor vehicles during the preceding calendar year; and

(F) \$750, if the lessor leased more than 1,600 motor vehicles during the preceding calendar year; and

(5) ~~[(6)]~~ \$375 for a vehicle lease facilitator.

SECTION 2.05. Section 2301.304, Occupations Code, is amended to read as follows:

Sec. 2301.304. PROCEDURE FOR RENEWAL OF CERTAIN LICENSES. The holder of a manufacturer's, distributor's, or converter's~~[, or representative's]~~ license may apply for a renewal of the license by complying with the application process specified by this chapter and board rule.

SECTION 2.06. Section 2301.358(c), Occupations Code, is amended to read as follows:

(c) This section does not prohibit the sale of a towable recreational vehicle, motor home, ambulance, fire-fighting vehicle, or tow truck at a show or exhibition if:

(1) the ~~[show or exhibition is approved by the]~~ department receives written notice of the show or exhibition before the date the show or exhibition opens; and

(2) the sale is not otherwise prohibited by law.

SECTION 2.07. Section 2301.709, Occupations Code, is amended by adding Subsection (d) to read as follows:

(d) The board shall adopt rules and policies that establish

standards for reviewing a case under this subchapter. The rules and policies must:

(1) specify the role of division personnel in managing contested cases before the board or a person delegated power from the board under Section 2301.154, including advising on procedural matters;

(2) specify appropriate conduct and discussion by the board or a person delegated power from the board under Section 2301.154 regarding proposals for decision issued by administrative law judges;

(3) specify clear expectations limiting arguments and discussion under Subsection (b) to evidence in the record of the contested case hearing held by the administrative law judge;

(4) address ex parte communications; and

(5) distinguish between using industry expertise and representing or advocating for an industry when reviewing a case under this subchapter.

SECTION 2.08. Subchapter Q, Chapter 2301, Occupations Code, is amended by adding Section 2301.807 to read as follows:

Sec. 2301.807. REFUND. If, after a proceeding under this chapter and board rules, the board determines that a person is violating or has violated this chapter or a rule adopted or order issued under this chapter, the board may order the person to pay a refund to the buyer or lessee of the motor vehicle that is the subject of the proceeding.

SECTION 2.09. Section 2302.101, Occupations Code, is amended to read as follows:

1 Sec. 2302.101. [~~LICENSE REQUIRED FOR~~] SALVAGE VEHICLE
2 DEALER LICENSE. (a) Unless a person holds a salvage vehicle
3 dealer license issued under this chapter, the person may not:

4 (1) act as a salvage vehicle dealer or rebuilder; or
5 (2) store or display a motor vehicle as an agent or
6 escrow agent of an insurance company.

7 (b) A person who holds a salvage vehicle dealer license
8 issued under this chapter may perform any of the activities of a
9 salvage vehicle dealer, including:

10 (1) buying salvage motor vehicles and nonrepairable
11 motor vehicles or selling salvage motor vehicles and nonrepairable
12 motor vehicles that have been issued a salvage vehicle title or
13 nonrepairable vehicle title, as appropriate;

14 (2) engaging in the business of selling nonrepairable
15 motor vehicles or salvage motor vehicles at auction, including
16 wholesale auction;

17 (3) offering or negotiating to sell or buy salvage
18 motor vehicles or nonrepairable motor vehicles owned by a license
19 holder and to be purchased or sold by another license holder;

20 (4) acting as the agent or representative of a license
21 holder in performing an act described by Subdivision (3); and

22 (5) acquiring and repairing, rebuilding, or
23 reconstructing for operation on a public highway more than five
24 salvage motor vehicles in a calendar year.

25 SECTION 2.10. Section [2302.103](#), Occupations Code, is
26 amended to read as follows:

27 Sec. 2302.103. APPLICATION FOR SALVAGE VEHICLE DEALER

LICENSE. ~~[(a)]~~ To apply for a salvage vehicle dealer license, a person must submit to the department an application on a form prescribed by the department and the application fee.

~~[(b) An applicant may apply for a salvage vehicle dealer license with an endorsement in one or more of the following classifications:~~

- ~~[(1) new automobile dealer;~~
- ~~[(2) used automobile dealer;~~
- ~~[(3) salvage pool operator;~~
- ~~[(4) salvage vehicle broker; or~~
- ~~[(5) salvage vehicle rebuilder.]~~

SECTION 2.11. Section [2302.151](#), Occupations Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) A license issued under this chapter is valid for the period prescribed by the board ~~[expires on the first anniversary of the date of issuance]~~.

(c) If the board prescribes the term of a license under this chapter for a period other than one year, the board shall prorate the applicable fee required under this chapter as necessary to reflect the term of the license.

SECTION 2.12. Section [2302.351](#)(b), Occupations Code, is amended to read as follows:

(b) If a salvage vehicle dealer or~~[r]~~ an employee of the dealer acting in the course of employment~~[, or a salvage vehicle agent operating under the dealer's license]~~ is convicted of more than one offense under Section [2302.353](#)(a), the district attorney

1 for a county in which the dealer's salvage business is located may
2 bring an action in that county to enjoin the dealer's business
3 operations for a period of at least one year.

4 SECTION 2.13. Subchapter H, Chapter 2302, Occupations Code,
5 is amended by adding Section 2302.355 to read as follows:

6 Sec. 2302.355. CEASE AND DESIST ORDER. If it appears to the
7 board that a person who is not licensed under this chapter is
8 violating this chapter or a rule or order adopted under this
9 chapter, the board, after notice and opportunity for a hearing, may
10 issue a cease and desist order prohibiting the person from engaging
11 in the activity.

12 SECTION 2.14. Section 503.029, Transportation Code, is
13 amended by adding Subsection (d) to read as follows:

14 (d) The department by rule shall:

15 (1) establish education and training requirements, to
16 be provided by an education and training program approved by the
17 department, for an applicant for an original or renewal general
18 distinguishing number who proposes to be an independent motor
19 vehicle dealer; and

20 (2) require the applicant under Subdivision (1) to
21 establish that the applicant completed the education and training
22 required under that subdivision.

23 SECTION 2.15. Subchapter F, Chapter 643, Transportation
24 Code, is amended by adding Section 643.257 to read as follows:

25 Sec. 643.257. REFUND BY MOTOR CARRIERS TRANSPORTING
26 HOUSEHOLD GOODS. The department may order a motor carrier that
27 violates this chapter or a rule or order adopted under this chapter

1 to pay a refund to a consumer who paid the motor carrier to
2 transport household goods.

3 SECTION 2.16. Sections 2301.264(c), 2301.358(a),
4 2302.001(6), 2302.102, and 2302.107, Occupations Code, are
5 repealed.

6 SECTION 2.17. (a) The changes in law made by this Act to
7 Chapters 2301 and 2302, Occupations Code, do not affect the
8 validity of a proceeding pending before a court or other
9 governmental entity on the effective date of this Act.

10 (b) An offense or other violation of law committed before
11 the effective date of this Act is governed by the law in effect when
12 the offense or violation was committed, and the former law is
13 continued in effect for that purpose. For purposes of this
14 subsection, an offense or violation was committed before the
15 effective date of this Act if any element of the offense or
16 violation occurred before that date.

17 (c) On the effective date of this Act, a representative's
18 license issued under Chapter 2301, Occupations Code, as that law
19 existed immediately before the effective date of this Act, expires.

20 (d) On the effective date of this Act, a salvage vehicle
21 agent license issued under former Section 2302.107, Occupations
22 Code, expires.

23 (e) Section 2302.151(a), Occupations Code, as amended by
24 this Act, applies only to a license issued or renewed on or after
25 September 1, 2019. A license issued or renewed before that date is
26 governed by the law in effect immediately before the effective date
27 of this Act, and the former law is continued in effect for that

1 purpose.

2 ARTICLE 3. REGISTRATION AND TITLING

3 SECTION 3.01. Section 520.004, Transportation Code, is
4 amended to read as follows:

5 Sec. 520.004. DEPARTMENT RESPONSIBILITIES. The department
6 has jurisdiction over the registration and titling of, and the
7 issuance of license plates to, motor vehicles in compliance with
8 the applicable statutes. The department by rule:

9 (1) shall provide services that are reasonable,
10 adequate, and efficient;

11 (2) shall establish standards for uniformity and
12 service quality for counties and dealers licensed under Section
13 520.005; ~~and~~

14 (3) may conduct public service education campaigns
15 related to the department's functions; and

16 (4) shall establish a risk-based system of monitoring
17 and preventing fraudulent activity related to vehicle registration
18 and titling in order to efficiently allocate resources and
19 personnel.

20 SECTION 3.02. Section 520.005, Transportation Code, is
21 amended by adding Subsection (e) to read as follows:

22 (e) Each county assessor-collector shall make available to
23 motor vehicle dealers the electronic system designed by the
24 department that allows a motor vehicle dealer to submit a title and
25 registration application online in the name of the purchaser of a
26 motor vehicle.

27 SECTION 3.03. Subchapter A, Chapter 520, Transportation

Code, is amended by adding Sections 520.0075, 520.010, and 520.011 to read as follows:

Sec. 520.0075. CONTRACTING STANDARDS FOR TAX ASSESSOR-COLLECTOR. (a) In this section, "deputy" means a deputy classified as a full service deputy by a board rule adopted under Section 520.0071.

(b) Notwithstanding Section 262.023, Local Government Code, a county tax assessor-collector who awards a contract to a deputy for the performance of registration and titling services must comply with standard state contracting practices as if the county tax assessor-collector were a state agency, including requirements related to:

(1) purchase methods and competitive bidding under Sections 2155.062 and 2155.063, Government Code;

(2) determining the best value for the county under Sections 2155.074, 2155.075, and 2155.0755, Government Code;

(3) contracting standards and oversight under Chapter 2261, Government Code; and

(4) contract management under Chapter 2262, Government Code.

(c) A contract described by Subsection (b) must:

(1) specify an expiration date and renewal or extension terms for the contract; and

(2) include performance criteria and measures necessary to evaluate the performance of the deputy under the contract.

(d) A county tax assessor-collector shall monitor and

1 evaluate the performance of a deputy awarded a contract described
2 by this section and use that information in determining whether to
3 renew or extend the contract or award a new contract.

4 Sec. 520.010. AUDIT AND INVESTIGATION RELATED TO
5 REGISTRATION AND TITLING SERVICES. (a) The department may:

6 (1) audit or perform a compliance review of a person
7 performing registration or titling services;

8 (2) investigate any provision of state functions
9 related to registration or titling; and

10 (3) access any records needed to conduct the audit,
11 compliance review, or investigation.

12 (b) A county tax assessor-collector may:

13 (1) audit, perform a compliance review of, or
14 investigate a person providing registration or titling services in
15 the county in which the assessor-collector is located; and

16 (2) access any records needed to conduct the audit,
17 compliance review, or investigation.

18 (c) The department's authority under Subsection (a) is not
19 limited by a similar audit, compliance review, or investigation
20 conducted by a county tax assessor-collector under Subsection (b).

21 Sec. 520.011. AUDIT OF COUNTY TAX ASSESSOR-COLLECTOR. The
22 comptroller, in coordination with the department, may include, as
23 part of the comptroller's regular audits of state revenue
24 collection by county tax assessor-collector offices, the review of
25 processes relating to a county's collection and remittance of
26 revenue included in an audit.

27 SECTION 3.04. Chapter 520, Transportation Code, is amended

by adding Subchapter C to read as follows:

SUBCHAPTER C. AUTOMATED REGISTRATION AND TITLING SYSTEM

Sec. 520.021. RULES AND POLICIES. The department may adopt rules and policies for the maintenance and use of the department's automated registration and titling system.

Sec. 520.022. ACCESS TO SYSTEM. The department has the sole authority to determine access to the department's automated registration and titling system.

Sec. 520.023. TRAINING. (a) The department shall implement a training program providing information on the:

(1) department's automated registration and titling system; and

(2) identification of fraudulent activity related to vehicle registration and titling.

(b) The department shall require a person performing registration or titling services to complete the training under Subsection (a).

SECTION 3.05. (a) Each county tax assessor-collector who has, before the effective date of this Act, entered into a contract described by Section 520.0075, Transportation Code, as added by this Act, shall rebid the contract using the contracting standards provided under that section not later than March 31, 2020.

(b) In order to assist a county tax assessor-collector in the rebidding of contracts under Subsection (a) of this section, the Texas Department of Motor Vehicles shall provide guidance and recommendations on contracting practices to the county tax assessor-collector.

1 SECTION 3.06. Not later than December 1, 2019, the Texas
2 Department of Motor Vehicles shall adopt rules to implement the
3 training program required by Section 520.023, Transportation Code,
4 as added by this Act.

5 SECTION 3.07. Not later than March 1, 2020, the Texas
6 Department of Motor Vehicles shall, in coordination with county tax
7 assessor-collectors and in accordance with Subchapter C, Chapter
8 520, Transportation Code, as added by this Act, develop, adopt, and
9 implement rules that create clear criteria for the suspension or
10 denial of access to the department's automated registration and
11 titling system if a county tax assessor-collector suspects abuse,
12 fraud, or waste relating to the system by an employee of the
13 assessor-collector's or a person deputized under Section 520.0071,
14 Transportation Code.

15 SECTION 3.08. Not later than September 1, 2020, each county
16 tax assessor-collector shall make available the electronic system
17 to motor vehicle dealers as required by Section 520.005(e),
18 Transportation Code, as added by this Act.

19 ARTICLE 4. MOTOR VEHICLE CRIME PREVENTION AUTHORITY

20 SECTION 4.01. Subtitle M, Title 7, Transportation Code, is
21 amended by adding Chapter 1006, and a heading is added to that
22 chapter to read as follows:

23 CHAPTER 1006. MOTOR VEHICLE CRIME PREVENTION AUTHORITY

24 SECTION 4.02. Chapter 1006, Transportation Code, as added
25 by this Act, is amended by adding Subchapter A, and a heading is
26 added to that subchapter to read as follows:

27 SUBCHAPTER A. GENERAL PROVISIONS

SECTION 4.03. Section 1, Article 4413(37), Revised Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B. 3225), Acts of the 80th Legislature, Regular Session, 2007, is transferred to Subchapter A, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.001, Transportation Code, reenacted, and amended to read as follows:

Sec. 1006.001 [1]. DEFINITIONS. In this chapter [~~article~~]:

(1) "Authority" means the Motor Vehicle Crime [~~Automobile Burglary and Theft~~] Prevention Authority.

(2) "Economic motor vehicle theft" means motor vehicle burglary or theft committed for financial gain.

(3) "Insurer" means any insurance company writing any form of motor vehicle insurance in this state, including an interinsurance or reciprocal exchange, mutual company, mutual association, or Lloyd's plan [~~"Department" means the Texas Department of Motor Vehicles~~].

(4) [~~"Director" means the executive director of the Texas Department of Transportation.~~]

[~~(5)~~] "Motor vehicle" means a self-propelled vehicle or a vehicle, trailer, or semitrailer designed for use with a self-propelled vehicle. The term does not include a vehicle that runs exclusively on fixed rails or tracks or a piece of equipment operated solely on private property.

(5) "Motor vehicle burglary or theft" includes economic motor vehicle theft.

SECTION 4.04. Section 2, Article 4413(37), Revised Statutes, is transferred to Subchapter A, Chapter 1006,

Transportation Code, as added by this Act, redesignated as Section 1006.002, Transportation Code, and amended to read as follows:

Sec. 1006.002 [2]. ESTABLISHMENT. The Motor Vehicle Crime [~~Automobile Burglary and Theft~~] Prevention Authority is established in the department [~~Texas Department of Motor Vehicles~~]. The authority is not an advisory body to the department [~~Texas Department of Motor Vehicles~~].

SECTION 4.05. Chapter 1006, Transportation Code, as added by this Act, is amended by adding Subchapter B, and a heading is added to that subchapter to read as follows:

SUBCHAPTER B. COMPOSITION AND ADMINISTRATION

SECTION 4.06. Sections 3(a), (b), (c), (d), (i), (j), and (k), Article 4413(37), Revised Statutes, are transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act, redesignated as Sections 1006.051 and 1006.052, Transportation Code, and amended to read as follows:

Sec. 1006.051. AUTHORITY MEMBERSHIP. (a) The authority is composed of seven members.

(b) The governor, with the advice and consent of the senate, shall appoint the following six members:

(1) two representatives of motor vehicle insurance consumers;

(2) two representatives of insurance companies writing motor vehicle insurance in this state; and

(3) two representatives of law enforcement.

(c) The public safety director of the Department of Public Safety or the director's designee serves ex officio as the seventh

1 member of the authority.

2 (d) Appointments to the authority shall be made without
3 regard to race, color, disability, sex, religion, age, or national
4 origin of the appointees.

5 Sec. 1006.052. ELIGIBILITY RESTRICTIONS. (a) ~~[(i)]~~ A
6 person is not eligible for appointment as a representative of motor
7 vehicle insurance consumers under Section 1006.051(b)(1)
8 ~~[Subsection (b)(1) of this section]~~ if the person or the person's
9 spouse:

10 (1) is registered, certified, or licensed by an
11 occupational regulatory agency in the field of motor vehicle
12 insurance or law enforcement;

13 (2) is an officer, employee, or paid consultant of a
14 Texas trade association in the field of motor vehicle insurance or
15 law enforcement;

16 (3) is employed by or participates in the management
17 of a business entity or other organization receiving funds from the
18 authority;

19 (4) owns or controls, directly or indirectly, more
20 than a 10 percent ~~[10-percent]~~ interest in a business entity or
21 other organization receiving funds from the authority; or

22 (5) uses or receives a substantial amount of tangible
23 goods, services, or funds from the authority, other than
24 reimbursement authorized by law for service on the board of the
25 authority.

26 (b) ~~[(j)]~~ For purposes of Subsection (a)(2) ~~[(i)(2) of this~~
27 ~~section]~~, "[a] Texas trade association" means ~~[is]~~ a nonprofit,

1 cooperative, and voluntarily joined association of business or
 2 professional competitors in this state designed to assist the
 3 association's [~~its~~] members and the members' [~~its~~] industry or
 4 profession in dealing with mutual business or professional problems
 5 and in promoting the members' [~~their~~] common interest.

6 (c) [~~(k)~~] A person may not serve as a member of the
 7 authority [~~or act as the general counsel to the authority~~] if the
 8 person is required to register as a lobbyist under Chapter 305,
 9 Government Code, because of the person's activities for
 10 compensation on behalf of a profession related to [~~law enforcement~~
 11 ~~or~~] motor vehicle insurance or law enforcement.

12 SECTION 4.07. Section 3(e), Article 4413(37), Revised
 13 Statutes, is transferred to Subchapter B, Chapter 1006,
 14 Transportation Code, as added by this Act, redesignated as Section
 15 1006.053, Transportation Code, and amended to read as follows:

16 Sec. 1006.053. TERM OF OFFICE; VACANCY. (a) [~~(e)~~] The six
 17 members of the authority appointed by the governor serve staggered
 18 six-year terms, with the terms of two members expiring February 1 of
 19 each odd-numbered year.

20 (b) If there is a vacancy during a term, the governor shall
 21 appoint a replacement who meets the requirements of the vacant
 22 office to fill the unexpired term.

23 SECTION 4.08. Section 5(a), Article 4413(37), Revised
 24 Statutes, is transferred to Subchapter B, Chapter 1006,
 25 Transportation Code, as added by this Act, redesignated as Section
 26 1006.054, Transportation Code, and amended to read as follows:

27 Sec. 1006.054. PRESIDING OFFICER. [~~(a)~~] The governor

shall designate a member of the authority as the presiding officer of the authority to serve in that capacity at the pleasure of the governor.

SECTION 4.09. Sections 3(f), (g), (h), and (l), Article 4413(37), Revised Statutes, are transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act, redesignated as Sections 1006.055 and 1006.056, Transportation Code, and amended to read as follows:

Sec. 1006.055. GROUNDS FOR REMOVAL. (a) ~~[(f)]~~ It is a ground for removal from the authority if a member:

(1) does not have at the time of appointment the qualifications required by Section 1006.051(b) ~~[Subsection (b)]~~ or is disqualified under Section 1006.052 ~~[Subsection (i) or (k) of this section]~~;

(2) does not maintain during service on the authority the qualifications required by Section 1006.051(b) ~~[Subsection (b)]~~ or becomes disqualified under Section 1006.052 ~~[Subsection (i) or (k) of this section]~~;

(3) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term ~~[for which the member is appointed]~~; or

(4) is absent from more than half of the regularly scheduled authority meetings that the member is eligible to attend during a calendar year.

(b) ~~[(g)]~~ The validity of an action of the authority is not affected by the fact that it is taken when a ground for removal of a member of the authority exists.

(c) ~~(h)~~ If the executive director has knowledge that a potential ground for removal exists, the executive director shall notify the presiding officer of the authority of the potential ground. The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the presiding officer, the executive director shall notify the next highest officer of the authority, who shall notify the governor and the attorney general that a potential ground for removal exists.

Sec. 1006.056. INFORMATION ON QUALIFICATIONS AND CONDUCT.

~~(1)~~ The executive director or the executive director's designee shall provide to members of the authority, as often as necessary, information regarding the members' ~~their~~ qualifications for office under this chapter ~~article~~ and their responsibilities under applicable laws relating to standards of conduct for state officers.

SECTION 4.10. Sections 5(c), (d), and (e), Article 4413(37), Revised Statutes, are transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.057, Transportation Code, and amended to read as follows:

Sec. 1006.057. MEMBER TRAINING. (a) A ~~(c) To be eligible to take office as a member of the authority, a]~~ person who is appointed to and qualifies for office as a member of the authority may not vote, deliberate, or be counted as a member in attendance at a meeting of the authority until the person completes ~~[must complete at least one course of]~~ a training program that complies

1 with this section [~~Subsection (d)~~].

2 **(b)** [~~(d)~~] The training program [~~required by Subsection (c)~~]
3 must provide the person with information [~~to the person~~] regarding:

4 (1) the law governing authority operations [~~enabling~~
5 ~~legislation that created the authority and its policymaking body to~~
6 ~~which the member is appointed to serve~~];

7 (2) the programs, functions, rules, and budget of
8 [~~operated by~~] the authority;

9 (3) the scope of and limitations on the rulemaking
10 authority [~~role and functions~~] of the authority;

11 (4) [~~the rules of the authority and the department,~~

12 [~~(5) the current budget for the authority,~~

13 [~~(6)~~] the results of the most recent formal audit of
14 the authority;

15 **(5)** [~~(7)~~] the requirements of [~~the~~]:

16 (A) laws relating to open meetings, public
17 information, [~~law, Chapter 551, Government Code,~~

18 [~~(B) open records law, Chapter 552, Government~~
19 ~~Code, and~~

20 [~~(C)~~] administrative procedure [~~law~~], and
21 disclosure of conflicts of interest; and

22 (B) other laws applicable to members of the
23 authority in performing their duties [~~Chapter 2001, Government~~
24 ~~Code,~~

25 [~~(8) the requirements of the conflict-of-interest~~
26 ~~laws and other laws relating to public officials~~]; and

27 **(6)** [~~(9)~~] any applicable ethics policies adopted by

the department or the Texas Ethics Commission.

(c) ~~[(e)]~~ A person appointed to the authority is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program, regardless of whether the attendance at the program occurs before or after ~~[required by Subsection (c) as provided by the General Appropriations Act and as if]~~ the person qualifies for office ~~[were a member of the authority]~~.

(d) The executive director shall create a training manual that includes the information required by Subsection (b). The executive director shall distribute a copy of the training manual annually to each member of the authority. Each member of the authority shall sign and submit to the executive director a statement acknowledging that the member received and has reviewed the training manual.

SECTION 4.11. Section 4, Article 4413(37), Revised Statutes, is transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.058, Transportation Code, and amended to read as follows:

Sec. 1006.058 [4]. REIMBURSEMENT FOR EXPENSES. A member of the authority is not entitled to compensation for service on the authority but is entitled to reimbursement for expenses incurred in performing the member's duties at the rate provided by ~~[in]~~ the General Appropriations Act.

SECTION 4.12. Sections 6(e), (f), and (g), Article 4413(37), Revised Statutes, are transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act,

redesignated as Sections 1006.059 and 1006.060, Transportation Code, and amended to read as follows:

Sec. 1006.059. PERSONNEL AND SERVICES. (a) ~~[(e)]~~ The authority may be provided various services only by or through the department as needed to carry out the authority's ~~[its]~~ purposes, powers, and duties. These services may include~~[, but are not limited to,]~~ legal services not provided by the attorney general, fiscal services, administrative services, and personnel services. ~~[Except as provided by this section, the authority may enter into contracts in its own name and on its own behalf with recipients of grants for purposes of this article.]~~

(b) ~~[(f)]~~ The department shall provide personnel and services to the authority as agreed by the authority and the department.

Sec. 1006.060. DIVISION OF RESPONSIBILITIES. ~~[(g)]~~ The authority shall, in coordination with the department, develop and implement policies that clearly separate the policymaking responsibilities of the authority and the management responsibilities of the department.

SECTION 4.13. Section 5(b), Article 4413(37), Revised Statutes, is transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.061, Transportation Code, and amended to read as follows:

Sec. 1006.061. MEETINGS. ~~[(h)]~~ The authority shall meet at the call of the presiding officer ~~[chairman]~~ or at the call of four members.

SECTION 4.14. Section 6(h), Article 4413(37), Revised

Statutes, is transferred to Subchapter B, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.062, Transportation Code, and amended to read as follows:

Sec. 1006.062. PUBLIC TESTIMONY. ~~[(h)]~~ The authority shall develop and implement policies that provide the public with a reasonable opportunity to appear before the authority and to speak on any issue under the [its] jurisdiction of the authority.

SECTION 4.15. Subchapter B, Chapter 1006, Transportation Code, as added by this Act, is amended by adding Section 1006.063 to read as follows:

Sec. 1006.063. LOBBYIST PROHIBITION: GENERAL COUNSEL. A person may not act as the general counsel to the authority if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to motor vehicle insurance or law enforcement.

SECTION 4.16. Chapter 1006, Transportation Code, as added by this Act, is amended by adding Subchapter C, and a heading is added to that subchapter to read as follows:

SUBCHAPTER C. POWERS AND DUTIES

SECTION 4.17. Sections 6(a), (b), (c), and (d), Article 4413(37), Revised Statutes, are transferred to Subchapter C, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.101, Transportation Code, and amended to read as follows:

Sec. 1006.101. GENERAL POWERS AND DUTIES. (a) The authority shall adopt rules to implement the authority's [its]

1 powers and duties.

2 (b) The authority may solicit and accept gifts and grants.

3 (c) The authority may only use [~~only~~] staff of the
4 department and may delegate authority to the staff as needed.

5 (d) Not later than April 1 of each year, the authority shall
6 report on the authority's [~~its~~] activities to the lieutenant
7 governor and the speaker of the house of representatives.

8 SECTION 4.18. Section 7, Article 4413(37), Revised
9 Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B.
10 3225), Acts of the 80th Legislature, Regular Session, 2007, is
11 transferred to Subchapter C, Chapter 1006, Transportation Code, as
12 added by this Act, redesignated as Section 1006.102, Transportation
13 Code, reenacted, and amended to read as follows:

14 Sec. 1006.102 [~~7~~]. PLAN OF OPERATION. (a) The authority
15 shall develop and implement a plan of operation. The plan of
16 operation must be updated biennially and filed with the legislature
17 not later than [~~on or before~~] December 1 of each even-numbered year.

18 (b) The plan of operation must include:

19 (1) an assessment of the scope of the problems of motor
20 vehicle burglary or theft and fraud-related motor vehicle crime
21 [~~economic motor vehicle theft~~], including particular areas of the
22 state where the problems are greatest;

23 (2) an analysis of various methods of combating the
24 problems of motor vehicle burglary or theft and fraud-related motor
25 vehicle crime [~~economic motor vehicle theft~~];

26 (3) a plan for providing financial support to combat
27 motor vehicle burglary or theft and fraud-related motor vehicle

1 crime [~~economic motor vehicle theft~~]; and

2 (4) an estimate of the funds required to implement the
3 plan of operation.

4 SECTION 4.19. Section 12, Article 4413(37), Revised
5 Statutes, is transferred to Subchapter C, Chapter 1006,
6 Transportation Code, as added by this Act, redesignated as Section
7 1006.103, Transportation Code, and amended to read as follows:

8 Sec. 1006.103 [~~12~~]. ADVISORY COMMITTEES. (a) The
9 authority may establish advisory committees to advise the authority
10 [~~it~~] on any matter under the jurisdiction of the authority.

11 (b) Section 2110.008, Government Code, does not apply to an
12 advisory committee established under this section if the advisory
13 committee is:

14 (1) established for a specific and immediate need; and

15 (2) dissolved before the first anniversary of the date
16 the committee is created.

17 (c) A member of an advisory committee may not be compensated
18 by the authority for committee service but is entitled to
19 reimbursement for actual and necessary expenses incurred in the
20 performance of committee service.

21 SECTION 4.20. Chapter 1006, Transportation Code, as added
22 by this Act, is amended by adding Subchapter D, and a heading is
23 added to that subchapter to read as follows:

24 SUBCHAPTER D. FINANCIAL PROVISIONS

25 SECTION 4.21. Sections 6(j) and (k), Article 4413(37),
26 Revised Statutes, are transferred to Subchapter D, Chapter 1006,
27 Transportation Code, as added by this Act, redesignated as Section

1006.151, Transportation Code, and amended to read as follows:

Sec. 1006.151. GRANTS. (a) Subject to the requirements of this section, the authority may enter into contracts in the authority's own name and on the authority's own behalf with recipients of grants for purposes of this chapter.

(b) [(j)] The authority shall:

(1) develop and periodically update ~~[use]~~ standard performance measures for each category of grants provided by the authority for use in ~~[order to]~~ assessing ~~[assess]~~ grantee success in achieving the purposes of this chapter ~~[article]~~; and

(2) ensure that grants are used to help increase:

(A) the recovery rate of stolen motor vehicles;

(B) the clearance rate of:

(i) motor vehicle burglaries and thefts;

and

(ii) fraud-related motor vehicle crimes;

and

(C) the number of persons arrested for motor vehicle burglary and theft and fraud-related motor vehicle crime.

(c) [(k)] The authority shall allocate grant funds primarily based on the number of motor vehicles stolen in, or the motor vehicle burglary or theft rate across, and the number of fraud-related motor vehicle crimes committed in the state rather than based on geographic distribution.

(d) The authority shall, in consultation with the department, annually update the performance measures developed under Subsection (b).

SECTION 4.22. Sections 6A and 10, Article 4413(37), Revised Statutes, are transferred to Subchapter D, Chapter 1006, Transportation Code, as added by this Act, redesignated as Sections 1006.152 and 1006.153, Transportation Code, and amended to read as follows:

Sec. 1006.152 ~~[6A]~~. REFUNDS ~~[POWER TO REFUND]~~. (a) The authority may make determinations regarding the sufficiency of payments made by an ~~["]~~insurer~~[" (as defined under Section 10 of this article)]~~ of fees collected under ~~[pursuant to]~~ Section 1006.153 ~~[10 of this article]~~.

(b) Pursuant to a ~~[such]~~ determination made under Subsection (a), the authority may:

(1) notify the comptroller that payments made by an insurer are sufficient; and

(2) request the comptroller to draw warrants on the funds available to the authority for the purpose of refunding money ~~[monies]~~ to an insurer.

(c) The authority shall make the determination under ~~[Subsection (b) of]~~ this section as follows:

(1) the two members of the authority who are representatives of insurance companies writing motor vehicle insurance in this state shall recuse themselves; and

(2) the remaining five members of the authority shall make the determination by a simple majority vote.

(d) Determinations made under this section shall be performed in accordance with procedures set forth in rules adopted by the authority. The question of eligibility for a refund is not a

1 contested case under [~~within the meaning of the Administrative~~
2 ~~Procedure Act~~ (Chapter 2001, Government Code)].

3 (e) A [~~Except as provided by Subsection (f), a~~] request for
4 a refund made under this section must be made not later than four
5 years after the date the payment was made to the authority under
6 Section 1006.153 [~~10 of this article~~].

7 Sec. 1006.153 [~~10~~]. FEE IMPOSED ON INSURER. (a) In this
8 section, +

9 [~~(1) "Insurer" means any insurance company writing any~~
10 ~~form of motor vehicle insurance in this state, including an~~
11 ~~interinsurance or reciprocal exchange, mutual company, mutual~~
12 ~~association, or Lloyd's plan.~~

13 [~~(2)~~] "motor [~~Motor~~] vehicle years of insurance" means
14 the total number of years or portions of years during which a motor
15 vehicle is covered by insurance.

16 (b) An insurer shall pay to the authority a fee equal to \$2
17 multiplied by the total number of motor vehicle years of insurance
18 for insurance policies delivered, issued for delivery, or renewed
19 by the insurer. The fee shall be paid not later than:

20 (1) March 1 of each year for a policy delivered,
21 issued, [~~delivered~~] or renewed from July 1 through December 31 of
22 the previous calendar year; and

23 (2) August 1 of each year for a policy delivered,
24 issued, [~~delivered~~] or renewed from January 1 through June 30 of
25 that year.

26 (c) The fee imposed by this section is in addition to any
27 other fee or tax imposed by law on an insurer.

(d) The authority shall notify the Texas Department [~~State Board~~] of Insurance of any insurer that fails to pay the fee required by this section, and the Texas Department of Insurance [~~board~~] may for that reason revoke the insurer's certificate of authority.

(e) Fifty percent of each fee collected under Subsection (b) may be appropriated only to the authority for the purposes of this chapter [~~article~~].

SECTION 4.23. Section 8, Article 4413(37), Revised Statutes, as amended by Chapters 308 (H.B. 1887) and 927 (H.B. 3225), Acts of the 80th Legislature, Regular Session, 2007, is transferred to Subchapter D, Chapter 1006, Transportation Code, as added by this Act, redesignated as Section 1006.154, Transportation Code, reenacted, and amended to read as follows:

Sec. 1006.154 [~~8~~]. USE OF APPROPRIATED FUNDS. (a) Money appropriated to the department for authority purposes shall be used by the authority to pay the department for administrative costs and to achieve the purposes of this chapter [~~article~~], including:

(1) [~~establishing and funding the motor vehicle registration program required by Section 9 of this article,~~

~~[(2)]~~ providing financial support to law enforcement agencies for economic motor vehicle theft and fraud-related motor vehicle crime enforcement teams;

(2) [~~(3)~~] providing financial support to law enforcement agencies, local prosecutors, judicial agencies, and neighborhood, community, business, and nonprofit organizations for programs designed to reduce the incidence of economic motor vehicle

1 theft and fraud-related motor vehicle crime;

2 (3) [~~(4)~~] conducting educational programs designed to
3 inform motor vehicle owners of methods of preventing motor vehicle
4 burglary or theft and fraud-related motor vehicle crime;

5 (4) [~~(5)~~] providing equipment, for experimental
6 purposes, to assist motor vehicle owners in preventing motor
7 vehicle burglary or theft; and

8 (5) [~~(6)~~] establishing a uniform program to prevent
9 stolen motor vehicles from entering Mexico.

10 (b) In any fiscal year, the amount of the administrative
11 expenses of the authority, including salaries, travel and marketing
12 expenses, and other overhead expenses may not exceed eight percent
13 of the total expenditures of the authority.

14 (c) The cost of personnel and services provided to the
15 authority by the department and by the attorney general may be paid
16 only from appropriations made for authority purposes.
17 Appropriations made for authority purposes may not be used for any
18 other purpose.

19 SECTION 4.24. Section 6(i), Article 4413(37), Revised
20 Statutes, is transferred to Subchapter D, Chapter 1006,
21 Transportation Code, as added by this Act, redesignated as Section
22 1006.155, Transportation Code, and amended to read as follows:

23 Sec. 1006.155. ANNUAL FINANCIAL REPORT. [~~(i)~~] The
24 authority shall prepare annually a complete and detailed written
25 report accounting for all funds received and disbursed by the
26 authority during the preceding fiscal year. The annual report must
27 meet the reporting requirements applicable to financial reporting

provided by ~~[in]~~ the General Appropriations Act.

SECTION 4.25. Section 981.073(b), Insurance Code, is amended to read as follows:

(b) A domestic surplus lines insurer is not subject to:

- (1) Section 38.003;
- (2) Chapter 462;
- (3) Chapter 463;
- (4) Chapter 501;
- (5) Section 981.051;
- (6) Section 981.101(b);
- (7) Chapter 2007;
- (8) Chapter 2301;
- (9) Chapter 2251; and
- (10) Chapter 1006, Transportation Code ~~[Article 4413(37), Revised Statutes]~~.

SECTION 4.26. Section 201.805(a), Transportation Code, is amended to read as follows:

(a) The department shall annually publish in appropriate media and on the department's Internet website in a format that allows the information to be read into a commercially available electronic database a statistical comparison of department districts and the following information, calculated on a per capita basis considering the most recent census data and listed for each county and for the state for each fiscal year:

- (1) the number of square miles;
- (2) the number of vehicles registered;
- (3) the population;

- 1 (4) daily vehicle miles;
- 2 (5) the number of centerline miles and lane miles;
- 3 (6) construction, maintenance, and contracted routine
- 4 and preventive maintenance expenditures;
- 5 (7) combined construction, maintenance, and
- 6 contracted routine and preventive maintenance expenditures;
- 7 (8) the number of district and division office
- 8 construction and maintenance employees;
- 9 (9) information regarding grant programs, including:
- 10 (A) Motor Vehicle Crime [~~Automobile Theft~~]
- 11 Prevention Authority grants;
- 12 (B) Routine Airport Maintenance Program grants;
- 13 (C) Public Transportation Grant Program grants;
- 14 (D) Medical Transportation Program grants; and
- 15 (E) aviation grants or aviation capital
- 16 improvement grants;
- 17 (10) approved State Infrastructure Bank loans;
- 18 (11) Texas Traffic Safety Program grants and
- 19 expenditures;
- 20 (12) the dollar amount of any pass-through toll
- 21 agreements;
- 22 (13) the percentage of highway construction projects
- 23 completed on time;
- 24 (14) the percentage of highway construction projects
- 25 that cost:
- 26 (A) more than the contract amount; and
- 27 (B) less than the contract amount; and

(15) a description of real property acquired by the department through the exercise of eminent domain, including the acreage of the property and the location of the property.

SECTION 4.27. Section 1001.151(c), Transportation Code, is amended to read as follows:

(c) Money appropriated to the department for Motor Vehicle Crime [~~Automobile Burglary and Theft~~] Prevention Authority purposes and other revenue collected or received by the Motor Vehicle Crime [~~Automobile Burglary and Theft~~] Prevention Authority may not be deposited into the fund.

SECTION 4.28. The following provisions are repealed:

(1) Sections 9 and 11, Article 4413(37), Revised Statutes;

(2) the headings to Sections 3, 5, and 6, Article 4413(37), Revised Statutes; and

(3) the heading to Article 4413(37), Revised Statutes.

SECTION 4.29. (a) Except as provided by Subsection (b) of this section, Section 1006.057, Transportation Code, as transferred, redesignated, and amended by this Act, applies to a person who is appointed before, on, or after the effective date of this Act to the Automobile Burglary and Theft Prevention Authority or Motor Vehicle Crime Prevention Authority, as applicable.

(b) A member of the Motor Vehicle Crime Prevention Authority who, before the effective date of this Act, completed the training program required by Sections 5(c), (d), and (e), Article 4413(37), Revised Statutes, as that law existed before the effective date of this Act, is required to complete additional training only on

1 subjects added by this Act to the training program as required by
2 Section 1006.057, Transportation Code, as transferred,
3 redesignated, and amended by this Act. A member described by this
4 subsection may not vote, deliberate, or be counted as a member in
5 attendance at a meeting of the authority held on or after December
6 1, 2019, until the member completes the additional training.

7 SECTION 4.30. (a) On the effective date of this Act:

8 (1) the name of the Automobile Burglary and Theft
9 Prevention Authority is changed to the Motor Vehicle Crime
10 Prevention Authority, and all powers, duties, rights, and
11 obligations of the Automobile Burglary and Theft Prevention
12 Authority are the powers, duties, rights, and obligations of the
13 Motor Vehicle Crime Prevention Authority;

14 (2) a member of the Automobile Burglary and Theft
15 Prevention Authority is a member of the Motor Vehicle Crime
16 Prevention Authority; and

17 (3) any appropriation for the Automobile Burglary and
18 Theft Prevention Authority is an appropriation for the Motor
19 Vehicle Crime Prevention Authority.

20 (b) On and after the effective date of this Act, a reference
21 in law to the Automobile Burglary and Theft Prevention Authority is
22 a reference to the Motor Vehicle Crime Prevention Authority.

23 (c) The Motor Vehicle Crime Prevention Authority is the
24 authority formerly known as the Automobile Burglary and Theft
25 Prevention Authority in all respects. All personnel, equipment,
26 data, documents, facilities, contracts, items, other property,
27 rules, decisions, and proceedings of or involving the Automobile

Burglary and Theft Prevention Authority are unaffected by the change in the name of the authority.

ARTICLE 5. STUDY ON IMPOSING FEES ON ALTERNATIVELY FUELED VEHICLES

SECTION 5.01. DEFINITIONS. In this article:

(1) "Alternatively fueled vehicle" has the meaning assigned by Section 502.004, Transportation Code.

(2) "Conventional vehicle" means a vehicle, as defined by Section 502.001, Transportation Code, that is exclusively powered by gasoline or diesel fuel.

(3) "Motor fuel taxes" means the motor fuel taxes imposed under Chapter 162, Tax Code.

(4) "Vehicle miles traveled" means the number of miles traveled by a vehicle.

SECTION 5.02. STUDY AND REPORT. (a) Using existing funds, the Texas Department of Motor Vehicles and the Texas Department of Transportation shall jointly contract with a third-party contractor to conduct a study and create a report on the feasibility and advisability of a program to establish a fee for alternatively fueled vehicles similar to the motor fuel taxes imposed on conventional vehicles.

(b) The study must:

(1) review other state or federal laws regarding fees and taxes for alternatively fueled vehicles and whether those laws reduced tax revenue generated from motor fuels, including:

(A) whether other states measure the vehicle miles traveled of alternatively fueled vehicles to calculate any fees or taxes; and

1 (B) the methods used to calculate the vehicle
2 miles traveled under Paragraph (A);

3 (2) calculate the revenue generated from motor fuel
4 taxes for each mile traveled by a vehicle in this state;

5 (3) calculate the total amount of vehicle fees and
6 taxes that drivers of alternatively fueled vehicles pay compared
7 with the total amount of vehicle fees and taxes drivers of
8 conventional vehicles pay, and calculate the net revenue generated
9 by each;

10 (4) determine whether a correlation exists between the
11 market penetration of alternatively fueled vehicles and the
12 decrease in revenue from motor fuel taxes;

13 (5) compile and analyze all available sources of data
14 related to the vehicle miles traveled for alternatively fueled
15 vehicles in this state;

16 (6) determine whether the Department of Public Safety
17 of the State of Texas should collect information on the vehicle
18 miles traveled for an alternatively fueled vehicle during the
19 vehicle's annual inspection under Chapter 548, Transportation
20 Code;

21 (7) determine a method, in measuring vehicle miles
22 traveled, to distinguish between different types of alternatively
23 fueled vehicles, including hybrid vehicles, as defined by Section
24 382.003, Health and Safety Code, and conventional vehicles at
25 annual inspections under Chapter 548, Transportation Code;

26 (8) determine the feasibility of implementing a
27 program that imposes a fee based on vehicle miles traveled by

1 alternatively fueled vehicles to be deposited to the state highway
2 fund, including:

3 (A) the cost of implementing the program to
4 drivers of alternatively fueled vehicles and to the state;

5 (B) whether the vehicle miles traveled measured
6 by the program should include miles traveled outside this state;

7 (C) whether vehicle weight should be a factor in
8 calculating the fee;

9 (D) the appropriate state agency to administer
10 the program; and

11 (E) the appropriate methods of and schedule for
12 payment for the fee imposed under the program; and

13 (9) calculate the feasibility and determine the
14 consequences of abolishing motor fuel taxes and replacing those
15 taxes with a fee based on vehicle miles traveled for all vehicles,
16 including:

17 (A) calculating the total amount in fees the
18 average driver would be required to pay to ensure that the state
19 does not lose the revenue it derives from motor fuel taxes; and

20 (B) comparing any potential negative effects
21 from imposing a fee based on vehicle miles traveled for all vehicles
22 and any current negative effects from imposing motor fuel taxes.

23 (c) Not later than December 1, 2020, the Texas Department of
24 Motor Vehicles and the Texas Department of Transportation shall
25 jointly submit to the governor, lieutenant governor, speaker of the
26 house of representatives, and members of the legislature the report
27 created under Subsection (a) of this section that includes a

1 summary of the results of the study conducted under that subsection
2 and any legislative recommendations based on the study.

3 SECTION 5.03. EXPIRATION DATE. This article expires
4 September 1, 2021.

5 ARTICLE 6. EFFECTIVE DATE

6 SECTION 6.01. This Act takes effect September 1, 2019.